

GOVERNMENT OF INDIA
MINISTRY OF MINORITY AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 2032
TO BE ANSWERED ON 22.09.2020

SCHEMES UNDER NMDFC

2032. SHRI DHAIRYASHEEL SAMBHAJIRAO MANE:
DR. SHRIKANT EKNATH SHINDE:
SHRI UNMESH BHAIYYASAHEB PATIL:
DR. SUJAY RADHAKRISHNA VIKHE PATIL:

Will the Minister of MINORITY AFFAIRS be pleased to state:

- (a) the details of the schemes of National Minorities Development and Finance Corporation(NMDFC) and the procedure to avail concessional loans under these schemes;
- (b) the funds allocated by NMDFC along with the details of utilisation of allocated funds during the last three years and the current year, State-wise;
- (c) whether most of the beneficiaries are not in a position to avail concessional loans provided under these schemes due to complicated procedures;
- (d) if so, the corrective steps taken by the Government in this regard; and
- (e) the other steps taken by the Government to make NMDFC more effective and efficient?

Answer

MINISTER OF MINORITY AFFAIRS
(SHRI MUKHTAR ABBAS NAQVI)

(a) National Minorities Development & Finance Corporation (NMDFC) implements its schemes for the socio-economic development of notified National Minorities viz., Muslims, Christians, Sikhs, Buddhists, Parsis and Jains mainly through the State Channelising Agencies (SCAs) nominated by the respective State Governments/Union Territory (UT) Administration. The detail of schemes implemented by NMDFC are as under:-

Concessional Credit Schemes

- i. **Term Loan:** Under Term loan scheme maximum Loan of up to Rs.20.00 Lacs per beneficiary is available under Credit Line-1 at an interest rate of 6% per annum. Higher loan of maximum up to Rs.30.00 Lacs per beneficiary is available under Credit Line-2 at an interest rate of 8% per annum for male beneficiaries and 6% per annum for female beneficiaries.
- ii. **Micro Finance:** Under Micro Finance scheme maximum loan upto Rs.1.00 lac per Self Help Group (SHG) member is available under Credit Line -1 at an interest rate of 7% per annum. Higher loan of maximum upto Rs.1.50 lacs per SHG member is available under CreditLine-2 at an interest rate of 10% per annum for male beneficiaries & 8% per annum for female beneficiaries. The micro-finance scheme is primarily aimed at extending concessional credit to

women beneficiaries. The scheme is implemented through SCAs & also through established Non-Government Organizations (NGOs).

- iii. **Education Loan:** The Educational Loan of upto Rs.20.00 lacs for courses in India & Rs.30.00 lacs for courses abroad is available at an interest rate of 3% per annum under Credit Line-1 while interest @ of 8% per annum is charged from male beneficiaries & 5% per annum from female beneficiaries under Credit Line-2. Education Loan is provided for pursuing technical and professional courses with maximum course duration of 5 years. The scheme is implemented through SCAs.
- iv. **Virasat Scheme:** This scheme is part of the Term Loan scheme and is implemented with the objective to meet credit requirements of the Artisans, both in terms of working capital and fixed capital for purchase of equipment/tools/machineries. Maximum loan of upto Rs.10.00 Lacs can be availed under the scheme at simple interest of 5% per annum for male artisan and at 4% per annum for female artisan.

Promotional Schemes

As part of its developmental mandate, NMDFC also implements promotional schemes through its State Channelizing Agencies like Skill Training, Marketing Support & Mahila Samridhi Yojana for the benefit of its target groups. Women beneficiaries are given preference under these schemes. The details of promotional schemes of NMDFC is given below:

- i. **Skill Development Scheme:** NMDFC has aligned its Skill Development Scheme with the common norms prescribed by the Ministry of Skill Development & Entrepreneurship (MSDE) viz., “Kaushal Se Kushalta”. Under this scheme, skill development training programs are organized as per common norms. Training programs of 200 to 250 hrs duration is organized at prescribed hourly cost. Stipend of Rs.1,000 per candidate per month and the cost of certification of the trained candidates is borne by NMDFC. There is placement guarantee of minimum 70% candidates trained under the scheme.
- ii. **Marketing Assistance Scheme:** The Marketing Assistance Scheme is meant for individual crafts persons, beneficiaries of NMDFC as well as SHGs & is implemented through the SCAs. The scheme envisages to promote sale & marketing of their products at remunerative prices through participation /organizing exhibitions at State/District level.
- iii. **Mahila Samridhi Yojana:** Skill development training is imparted to group of women in women friendly trades. Training period is of maximum upto 6 months alongwith training & raw material cost of upto Rs.1,500 per women. Stipend @ Rs.1,000 is also available for each women. During the period of training, the women are formed into Self Help Group, followed by infusion of micro-credit of upto Rs.1.00 lacs per member for the purpose of using the skill developed during the training, for income generation activities.

Procedure to Avail Concessional Loan

The schemes of NMDFC are implemented through the SCAs in their respective States/UTs. The SCAs follow guidelines for sanction/disbursement of loan as broadly outlined below

Sanction of Loan

The SCAs solicit applications through advertisement/publicity and the beneficiaries from Minority communities can obtain applications from the office of District Minority Welfare Officer / Head Office of the SCA. Self-Declaration / Self Certification / Self Attestation of following documents are required to be furnished by the beneficiaries:-

- i. Certificate of Religion.
- ii. Family Income Certificate
- iii. Mark sheet of previous year in case of Education Loans
- iv. Any other affidavit.
- v. Project Report:- Small project report regarding activity to be undertaken.

Completed application form is to be submitted in the office of District Minority Welfare Officer/Head Office of SCAs.

Disbursement of Loan

Information about sanction of loan is given to the applicant and they are advised for completion of following Loan Documentation formalities:-

- i. Opening of AADHAR/ Know Your Customer (KYC) linked savings bank account.
- ii. Guarantee as per prescribed norms.

On completion of above formalities, loan is released directly in the bank accounts of beneficiaries. The beneficiary is expected to purchase assets & start business activity within one month of receipt of loan.

Repayment of Loan

- i. Repayment of loan in 5 years in monthly/quarterly basis.
- ii. Beneficiary is provided repayment schedule & details of Bank Account of SCA for repayment of loan.
- iii. Loan is to be repaid in notified Bank Account of SCA.
- iv. Beneficiary to obtain No Dues Certificate/Loan Closure Certificate on completion of repayment of loan

(b) The details of fund utilized by NMDFC for disbursing to States/UTs from the financial year 2017-18 to 2020-21 (upto 31.08.2020) is enclosed as Annexure-I.

(c) to (e): There is an increase in number of beneficiaries under the schemes of NMDFC from 1,29,489 to 1,36,649, during the period of 2017-18 to 2019-20. This shows that concessional loans are being taken by larger number of beneficiaries.

Government has taken numbers of steps to smoothen the procedure for availing concessional loan over a period of time that includes reduction of lead time between submission of application form by the applicant and sanction of loan by the SCAs; loans are being released directly into the bank account of beneficiaries through RTGS; Self-Declaration /Self Certification/Self Attestation of documents is accepted in case of Religion Certificate, Family Income, Residence Proof, Mark Sheet, etc; Insurance of beneficiary and their assets to safeguard against any untoward incident. Furthermore, the quantum of loan under Term Loan scheme has been increased from Rs.10.00 lacs to Rs.30.00 lacs while under Micro Finance scheme, it has been increased from Rs.50,000/- to Rs.1.50 lacs per Self Help Group member. Under the Education Loan scheme, the quantum of loan has been increased from Rs.5.00 lacs to Rs.20.00 lacs for domestic courses & from Rs.10.00 lacs to Rs.30.00 lacs for courses abroad.

All these measures have strengthened and improved the working of NMDFC leading to more effective implementation of its schemes for the Minorities.

**ANNEXURE-I REFERRED TO IN PART (B) OF THE LOK SABHA UNSTARRED Q.NO.
2032 TO BE ANSWERED ON 22.09.2019**

**Statement showing fund utilized by NMDFC for disbursing to States/Uts from the financial
year 2017-18 to 2020-21 (upto 31.8.2020)**

Sr. No.	State	Fund Utilized (Amount in Rupees Crore)
1	CHANDIGARH	0.60
2	CHHATISGARH	2.22
3	DELHI	0.59
4	GUJARAT	12.51
5	HARYANA	16.48
6	HIMACHAL PRADESH	15.50
7	JAMMU & KASHMIR	206.46
8	JHARKHAND	3.00
9	KARNATAKA	5.60
10	KERALA	654.50
11	MAHARASHTRA	5.00
12	MIZORAM	5.76
13	NAGALAND	10.00
14	PUNJAB	2.00
15	RAJASTHAN	20.00
16	TAMILNADU	117.95
17	TRIPURA	40.31
18	UTTRAKHAND	1.90
19	UTTARPRADESH	10.00
20	WEST BENGAL	836.00
	Grand Total	1,966.38

